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for a series of years, "normal price" being defined as the number of articles produced per person multiplied by the money price. According to the labor-time theory the normal price would remain the same if there were no changes in the cost of gold. The proof of the theory would, therefore, consist in showing (1) that changes in the normal prices of different commodities were consilient and (2) that these changes were in agreement with the changes in the per capita output of gold. The authors have been able to find only a few commodities for which the normal price can be calculated, since the number of persons employed, the market price, and the number of units produced are necessary for the calculation. But the normal prices of coal have been calculated for several European countries. The correspondence in the fluctuations of these normal prices is marked, and all the curves show a gradual rise from 1860 to 1910. The fluctuations in general correspond, as might be expected, with changes in the ordinary index numbers of prices. The general rise in the normal prices of coal, which the authors make much of as indicating that the fall in general prices during the forty years from 1860 to 1902 shown by the ordinary index numbers of prices is erroneous, was due to the facts that wages rose in all European countries and that the per capita production of coal did not increase in anything like the same degree as that of manufactured commodities. When the authors approach the second and crucial question of the correspondence of the normal prices of these commodities with the quantity of gold produced per person, they are occupied chiefly in offering explanations of the failure of the normal value of gold to agree with the normal price of other commodities.

An enormous amount of labor has gone to the making of this book, and it is an ungrateful duty for a reviewer to have to say that in his opinion it has been wholly wasted.

GEORGE E. BARNETT

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Wealth and Income of the American People: A Survey of the Economic Consequences of the War, by Walter Renton Ingalls. York, Pa.: G. H. Merlin Company. 1922. xiv, 321 pp.

The main title of this book is likely to convey the idea that it parallels or duplicates the recent report of the National Bureau of Economic Research. That impression is erroneous. Though the author sometimes makes use of the material of the Bureau, his method and especially his purposes are different. In fact, the book contains a greater number and more general judgments and convictions than are quite appropriate for a statistical work. But the statistics used are, on the whole, dealt with critically and objectively. The author's economic opinions are less well considered, and indeed often appear to be hasty and cock-sure. Mr. Ingalls is an engineer.

The chapters of especial statistical interest are: II, "The Production of Commodities," 22 pages; III, "Wealth of the United States (the External Position)," 38 pages; and IV, "Wealth of the United States (the Internal Position)," 82 pages. The remaining chapters, though usually quantitative in thought, are

seldom statistical in content. The special feature of the method of the book is its inventory of the nation's capital so largely on the basis of corporate financial data.

Mr. Ingalls seeks to prove that the country was not better off in 1920 than in 1916. The thesis is worthy of careful consideration and practically important as a corrective of much unthinking self-deception of the public on this subject. If the statistics are not all that could be desired, and if quantitative conclusions are often rather forced, it is not so much the fault of the author as it is the lack of adequate data. It would be better if fuller or more exact references to sources had been given so that a later worker on the same subject might more easily rebuild and extend the statistical structure.

The author's most important conclusions may be summed up in his own words: "The physical volume of production during the eight years beginning with 1913 and ending with 1920 increased no more than commensurately with the increase in population" (p. 281). "From the end of 1916 to the end of 1920 the physical wealth of the United States increased from 268 billion dollars to 272 billion as an outside figure" (p. 282).

The attempt to avoid the effects of price inflation upon the estimates is entirely commendable. The writing-off of surplus plant is an interesting and important detail, even if, as done, it is open to criticism as perhaps being too drastic. Any statistician attempting to inventory our capital would greatly profit by following the figures and analysis presented in this book.

The author says in his preface: "An underlying thought in my work in this book is a repudiation of the quantitative theory of money" (p. viii). Since its advocates and opponents mean different things by this term, we cannot be quite sure from this statement what is meant. One who accepts the quantity theory can quite as readily agree with the author's numerical conclusions as one who does not. If a test is whether we are going back to pre-war prices, indications in the middle of 1922 are not the same as they appeared in the middle of 1921.

Remarks about the benefit to statistics of "the entry of professional men into this field" (p. 272 *et. seq.*) may be interpreted to mean that statistics are concrete, not abstract, numbers, and that the statistician cannot know too much about the facts underlying his figures.

The book is somewhat journalistic in tone, if the word may be used to imply no lack of industry and only some degree of lack of critical finish and proportion. Some of the conventional prejudices of the business world find uncalled-for expression. There is sometimes a lack of appreciation of developments that do not appear to be thoroughly understood—as of the theory of business cycles (p. 279) and of index numbers (p. 204). But the book is worthy of serious attention from statisticians and others interested in its subject.

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